

# **EXHIBIT 24**

UNITED STATE BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR  
PROTECTION CORPORATION,

Adv. Pro. No. 08-01789(SMB)

Plaintiff-Applicant,

v.

SIPA LIQUIDATION

BERNARD L. MADOFF INVESTMENT (Substantively Consolidated)  
SECURITIES, LLC,

Defendant.

\_\_\_\_\_  
In re:

BERNARD L. MADOFF,

Debtor.

\_\_\_\_\_  
IRVING H. PICARD, Trustee for  
the Liquidation of Bernard L.  
Madoff Investment Securities,  
LLC,

Plaintiff,

Adv. Pro. No. 10-04468(SMB)

v.

KEN-WEN FAMILY LIMITED  
PARTNERSHIP, KENNETH W.  
BROWN, in his capacity as a  
General Partner of the  
Ken-Wen Family Limited  
Partnership; and Wendy Brown,

Defendants.

DEPOSITION OF  
WENDY ELIZABETH WERNER  
as a 30(b)(6) witness and individually

1 Taken on Behalf of the Plaintiff

2 DATE TAKEN: Tuesday, February 25, 2020

3 TIME: 9:42 a.m. - 1:26 p.m.

4 PLACE: 101 Northeast 3rd Avenue

5 Suite 1500

6 Fort Lauderdale, Florida 33301

7

8 Examination of the witness taken before:

9 Samantha L. Todd, FPR

10 Daughters Reporting, Inc.

11 101 Northeast 3rd Avenue

12 Suite 1500

13 Fort Lauderdale, Florida 33301

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1 APPEARANCES:

2

3 Appeared for Plaintiff Irving H. Picard, Trustee for the  
Liquidation of Bernard L. Madoff Investment Securities, LLC

4

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9 Appeared for Defendant Kenneth W. Brown

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15 Appeared for Defendant Wendy Brown a/k/a Wendy Elizabeth  
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20

21 Also present: Kenneth W. Brown

22

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1 Q. Ms. Werner, do you recognize this document?

2 A. I recognize it from Ken's deposition, yes.

3 Q. Okay. And what do you recognize it to be?

4 A. A wire transfer from Madoff Investment  
5 Securities to Ken-Wen.

6 Q. And what is the requested amount?

7 A. \$3 million.

8 Q. And to be clear it says, "Please liquidate" --  
9 it's a little bit hard to read. But it says, "Please  
10 liquidate 3 million from the account and wire transfer  
11 proceeds to Ken-Wen Family LP." Is that what you see as  
12 well?

13 A. Yes.

14 Q. Okay. And what is the reference account number  
15 towards the top of the page?

16 A. 1EM226-3-0.

17 Q. And at the top left-hand corner, do you see a  
18 date on the page?

19 A. 1/23/2008.

20 Q. Okay. And I apologize if you said this. But  
21 this appears to be faxed; is that correct?

22 A. Yes, there's a fax number on there.

23 Q. And then it also says, "fax" in the top  
24 right-hand corner; is that right?

25 A. That's where I see it, yes.

1 Q. Okay. I just wanted to be clear. And then  
2 towards the top of the page, do you recognize the  
3 handwriting at the top of the page to be Ken Brown's  
4 handwriting?

5 A. Yes.

6 Q. Okay. And do you recognize the bottom, the  
7 signature, to be his?

8 A. Yes, it appears to be his.

9 Q. And do you recall why the Partnership faxed a  
10 request on January 23rd, 2008, to liquidate \$3 million from  
11 Account 1EM226-3?

12 MR. BERNFELD: Object to form.

13 THE WITNESS: Can I answer?

14 BY MS. MARASCO:

15 Q. You can answer.

16 A. It was going to be invested somewhere else.

17 Q. And where was it going to be invested?

18 A. Well, it went into -- it looks like the wire  
19 transfer went to Ken-Wen at Paradise Bank.

20 Q. After Paradise Bank, was it transferred  
21 elsewhere?

22 A. It was wired out of there, yes.

23 Q. And to where was it wired?

24 MR. BERNFELD: If you know.

25 A. Internationally to an international account.

1 BY MS. MARASCO:

2 Q. And what account was that?

3 A. It was with Southpac in Nevis.

4 Q. I'm sorry. Southpac in what?

5 A. In Nevis.

6 MR. ROHER: Nevis?

7 MR. BERNFELD: Nevis.

8 THE WITNESS: Nevis, Nevis, however you say it.

9 MR. ROHER: Southpac?

10 THE WITNESS: Yes.

11 MR. ROHER: What's Southpac?

12 BY MS. MARASCO:

13 Q. Who --

14 MR. ROHER: Sorry.

15 MR. BERNFELD: I think that's her next --

16 MR. ROHER: Sorry. I'm sorry to steal your  
17 thunder.

18 BY MS. MARASCO:

19 Q. What is Southpac?

20 A. It was an account that was set up overseas.

21 Q. Who is the account holder?

22 A. I believe it was set up as a trust for my  
23 children, but I don't remember the names of the account.

24 Q. So the account was held by the trust; is that  
25 correct?

1 A. Yes.

2 Q. Okay. Are the \$3 million still in that trust?

3 A. No.

4 Q. What happened to them?

5 A. They were wired back.

6 Q. Wired back to where?

7 A. Wired back to the United States.

8 Q. To which account?

9 A. I don't know if it went into an account per se.  
10 I think it just went to a lawyer's office in an escrow  
11 account.

12 Q. For what purpose?

13 A. To repay a loan that Ken owed my -- the Marital  
14 Trust 2.

15 Q. Can you explain that?

16 A. When the SEC -- there was an action in the SEC  
17 involvement -- there was -- for 6.2 million. And in order  
18 to provide that money, it was taken from an account from  
19 the Harvey Werner Trust Marital Trust 2 to pay the SEC.  
20 And in order to do that, it was required to have a loan  
21 from just Ken Brown to repay that to the Marital Trust 2  
22 for the 6.2 million.

23 Q. When did the 6.2 million amount to the SEC  
24 become due?

25 A. March of 2008.



1 Q. We discussed earlier the Compliance Agreement  
2 between Paradise Bank, Kenneth Brown, and KBCB for a loan  
3 of \$3,025,000. Does that loan have anything to do with the  
4 amounts payable to the SEC?

5 A. No.

6 Q. Okay. Just to be clear, when were the funds  
7 wired from Southpac in the Nevis to Harvey Werner Marital  
8 Trust 2? And correct me if I misstated that.

9 MR. ROHER: You misstated that.

10 MS. MARASCO: Okay.

11 BY MS. MARASCO:

12 Q. How did the funds come to be in Harvey Werner  
13 Marital Trust 2?

14 A. The funds that originated from?

15 Q. Correct.

16 A. They were taken from another account that my  
17 parents had with Madoff.

18 MR. ROHER: I'm confused.

19 MR. BERNFELD: I don't think that's what you're  
20 asking about.

21 THE WITNESS: Oh, I don't know.

22 BY MS. MARASCO:

23 Q. Where did the funds go when they left the  
24 account Southpac in the Nevis?

25 A. Oh, where did they go from there. They were

1 wired back to like I -- I already answered that question.

2 MR. BERNFELD: That's true.

3 BY MS. MARASCO:

4 Q. If you'll do me the courtesy of repeating.

5 MR. BERNFELD: No problem. Just repeat it.

6 A. They were wired to an escrow account.

7 BY MS. MARASCO:

8 Q. And that was an escrow account held by a  
9 lawyer; is that correct?

10 A. Yes.

11 Q. Okay. And then you referenced the Harvey  
12 Werner Marital Trust 2. How does that come into play?

13 A. That's where the funds came from to pay the SEC  
14 for the judgment.

15 Q. What were the funds used in the escrow  
16 account -- were the funds in the escrow account held by the  
17 attorney also used to pay the SEC? What was the purpose of  
18 those funds?

19 A. To repay the loan. There was a loan agreement  
20 set up when the funds were paid from the Marital Trust to  
21 the SEC for 6.2 million. There was a loan agreement.

22 Q. Okay.

23 A. And in that loan agreement in order for the  
24 check to be written, we -- the money came back from  
25 overseas to pay part of the loan back.

1 Q. Okay. So if I understand -- and correct me if  
2 I'm wrong -- the Harvey Werner Marital Trust 2 paid the  
3 SEC, and then was repaid from the funds in the escrow  
4 account held by the lawyer?

5 MR. BERNFELD: In part, she said.

6 BY MS. MARASCO:

7 Q. Repaid in part. How much was repaid?

8 A. I'm not sure of the exact amount.

9 Q. Was it over 50 percent?

10 A. I don't know. Because the -- some of the  
11 amount was -- some of the money that was sent overseas was  
12 kept overseas because they wouldn't -- they had to keep  
13 10 percent supposedly of the amount that was sent there.  
14 So then the rest was sent, but I don't know if it all went  
15 to repay the loan or not.

16 Q. Was the loan to the Harvey Werner Marital Trust  
17 2 ever repaid in full?

18 A. No.

19 Q. And then are the funds -- the 10 percent of the  
20 funds that were left at Southpac, are those funds still  
21 there?

22 A. No.

23 Q. What happened to those funds?

24 A. They had a lot of fees involved that were based  
25 on the full amount that was sent over there, which kind of

1 ate up all of the proceeds of what was left.

2 Q. Was that account ever closed?

3 A. Yes.

4 Q. When was this closed?

5 A. I don't remember. A few years ago, though.

6 Q. When you say "a few years ago," do you mean  
7 more recently or are we talking back towards 2012?

8 A. I don't remember when, but I know it's been at  
9 least five years I'd say. I don't know.

10 Q. So if I understand this correctly -- and please  
11 do correct me if I'm wrong -- there was a request to  
12 liquidate \$3 million from the Ken-Wen -- from BLMIS account  
13 to Ken-Wen. Those funds were deposited to Paradise Bank;  
14 is that right?

15 A. Wired, yes.

16 Q. Wired. Sorry. And then from Paradise Bank,  
17 they were wired to Southpac?

18 A. Yes.

19 Q. And then at some point they were wired to the  
20 United States to an escrow account. And from the escrow,  
21 the funds, whatever balance was in there, were used to  
22 repay Harvey Werner Marital Trust 2; is that right?

23 A. Yes.

24 Q. Okay. Did I miss any steps along the way?

25 A. No, except I just don't remember the amounts.

1 Q. Okay. And when the \$3 million was transferred  
2 out of -- I'm sorry. When the \$3 million was liquidated  
3 from the BLMIS account, do you recall how much was left, if  
4 anything, in the BLMIS account?

5 A. Well, I know there was another --

6 MR. BERNFELD: "Do you recall" was the  
7 question.

8 A. I don't recall the balance after this was taken  
9 out, no --

10 BY MS. MARASCO:

11 Q. Do you know if --

12 A. -- exact balance.

13 Q. I'm sorry. I didn't catch that.

14 A. I don't remember the exact balance after this 3  
15 million was taken out, but I know there was still an  
16 account there.

17 Q. And do you recall there were any funds left in  
18 the account after the \$3 million was liquidated?

19 A. There were funds still in the account, yes. I  
20 just don't know the amount.

21 Q. Okay. And how did the Partnership come to --  
22 why did the Partnership request \$3 million? Was there any  
23 significance to that amount?

24 MR. BERNFELD: If you know.

25 A. Because I'm not sure why it was that exact

1 amount, no.

2 BY MS. MARASCO:

3 Q. Just to back up for a second. The Harvey  
4 Werner Marital Trust 2 paid the SEC in connection with the  
5 6.2 million that was due. Who owed the 6.2 million to the  
6 SEC, which entity or entities?

7 A. It was a judgment against myself and Ken Brown.

8 Q. Personally?

9 A. Through the corporations and ourselves.

10 Q. Which corporations?

11 A. K.W. Brown Investments.

12 Q. Was 21st Century also one of the companies?

13 A. Yes.

14 MS. MARASCO: I'm going to hand another  
15 document to the court reporter, and this will be 20.

16 (Plaintiff's Exhibit No. 20 was marked for  
17 identification.)

18 BY MS. MARASCO:

19 Q. Ms. Werner, do you recognize this document?

20 A. Yes.

21 Q. And what do you recognize it to be?

22 A. It's in Ken's handwriting to mail a check for  
23 200,000 from Madoff Investment Securities to Ken-Wen.

24 Q. And then the account referenced there is  
25 1EM226-3-0; is that correct?

1 A. Yes.

2 Q. And in the bottom left-hand corner, that's  
3 different handwriting than Ken's; is that right?

4 A. Yes.

5 Q. And that says, "11/17"?

6 A. Yes.

7 Q. And then in the right-hand corner, the same  
8 handwriting. That's also not Ken's. But correct me if I'm  
9 wrong. It says, "Will be refunding Account 3.0 in" -- I'm  
10 not sure what that symbol is. But did Ken-Wen ever refund  
11 the account at any point?

12 A. No.

13 MR. BERNFELD: Do we have a year identified?

14 MS. MARASCO: As I mentioned, the date that is  
15 written says, "11/17."

16 BY MS. MARASCO:

17 Q. And then to close that loop --

18 MS. MARASCO: I will ask you not to instruct  
19 the witness in the middle of her deposition.

20 MR. BERNFELD: Do you have a question pending?  
21 Are you telling me I can't talk?

22 MS. MARASCO: Yes, I am telling you that.

23 MR. BERNFELD: Well, fine. Put it on the  
24 record and raise it wherever --

25 MS. MARASCO: You cannot direct your client how

1 to answer the questions.

2 MR. BERNFELD: I am not. There's no question  
3 pending.

4 MS. MARASCO: I note for the record that  
5 Mr. Bernfeld is whispering to Ms. Werner.

6 MR. BERNFELD: Again, is it your position that  
7 I'm not allowed when there's no question pending --

8 MS. MARASCO: Yes.

9 MR. BERNFELD: -- to have a discussion with my  
10 client?

11 MS. MARASCO: Yes, to the extent it relates to  
12 the content of her testimony.

13 MR. BERNFELD: How do you know what it relates  
14 to?

15 MS. MARASCO: I would ask -- if it doesn't,  
16 then I would ask that you have it at the end of the  
17 deposition.

18 MR. BERNFELD: Thank you very much.

19 MS. MARASCO: I will note that Mr. Bernfeld is  
20 still whispering to his client.

21 MR. BERNFELD: I am still discussing with my  
22 client, correct, as I have both a right and obligation  
23 to do.

24 MS. MARASCO: Are you done conferring?

25 MR. BERNFELD: Yes, I am.



1 MS. MARASCO: Okay. Great. I'm going to hand  
2 another document to the client, and this will be  
3 marked as Exhibit 21.

4 (Plaintiff's Exhibit No. 21 was marked for  
5 identification.)

6 BY MS. MARASCO:

7 Q. Ms. Werner, do you recognize this document?

8 A. This is the check for 200,000 that I assume is  
9 referring to this fax.

10 Q. And who is the check from?

11 A. Bernard Madoff.

12 Q. And what is the date of the check?

13 A. 11/17. I can't read the year.

14 Q. So if you look to the left --

15 A. '08, maybe. Looks like '05, but it's stamped  
16 '08 on the left.

17 Q. Yes. Okay. In the bottom left-hand corner, do  
18 you see where it says "1-EM226-3"?

19 A. Oh, on the check itself?

20 Q. Correct.

21 A. Yes.

22 Q. And then if you turn to the second page, does  
23 this appear to have been endorsed?

24 A. Yes.

25 Q. By whom?

1 A. Ken-Wen.

2 MR. BERNFELD: Read the whole thing.

3 A. Ken-Wen Family.

4 BY MS. MARASCO:

5 Q. Okay. And then it's a little difficult to  
6 read. If you're still looking at the second page, if you  
7 look at the typed text there, do you see at the top where  
8 it says, "Bank of America/NA, MIA"?

9 A. Yes.

10 MR. BERNFELD: Where?

11 BY MS. MARASCO:

12 Q. We discussed earlier that Ken-Wen held a bank  
13 account at Bank of America; is that correct?

14 A. Yes.

15 Q. Do you have any reason to believe that this  
16 check was deposited into another account other than  
17 Ken-Wen's bank account at Bank of America?

18 MR. BERNFELD: Object as to form.

19 A. Well, according to this, it went into this  
20 account because it's --

21 MR. BERNFELD: I can't hear you.

22 A. According to this, it went into a Bank of  
23 America account.

24 MR. BERNFELD: Just listen to the question.

25 BY MS. MARASCO:

1 Q. Do you recall what the Partnership did with the  
2 \$200,000 that it received?

3 MR. BERNFELD: Object to the form.

4 A. I believe this was also wired internationally  
5 to the same account.

6 BY MS. MARASCO:

7 Q. So the Southpac account?

8 A. Yes.

9 Q. And why was it wired to the Southpac account?

10 A. For the same reason the other money was, as an  
11 investment.

12 Q. And to be clear, it was an investment in what?

13 A. I'm not sure what it was invested in. I don't  
14 remember. But it was sent there as like a protection,  
15 asset protection.

16 Q. I seem to recall that Mr. Brown indicated that  
17 it was invested in foreign currency. Is that your  
18 understanding as well? Or if you don't recall, that's fine  
19 too?

20 A. Yeah, I don't recall.

21 Q. Okay. Do you recall whether any funds were  
22 left in the BLMIS account after the \$200,000 withdrawal?

23 A. I know there was some still some funds in  
24 there, yes.

25 MR. BERNFELD: Huh?

1 CERTIFICATE OF OATH

2

3 THE STATE OF FLORIDA

4 COUNTY OF BROWARD

5

6

7 I, the undersigned authority, certify that  
8 the witness, Wendy Elizabeth Werner, personally appeared  
9 before me on the 25th day of February, 2020, and was duly  
10 sworn.

11

12 Signed this 3rd day of March, 2020.

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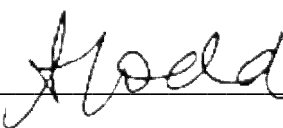
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SAMANTHA TODD, FPR  
Notary Public - State of Florida  
My Commission No. GG 270572  
Expires: December 3, 2022

1 CERTIFICATE OF REPORTER

2

3 THE STATE OF FLORIDA

4 COUNTY OF BROWARD

5

6 I, SAMANTHA TODD, Shorthand Reporter and Notary  
7 Public, State of Florida, HEREBY CERTIFY that I was  
8 authorized to and did stenographically report the  
9 deposition of Wendy Elizabeth Werner; that a review of the  
10 transcript was requested, and the foregoing transcript,  
11 pages 8 to 134, is a true and accurate record of my  
12 stenographic notes.

13 I FURTHER CERTIFY that I am not a relative,  
14 employee, attorney, or counsel of any of the parties, nor  
15 am I a relative or employee of any of the parties' attorney  
16 or counsel connected with the action, nor am I financially  
17 interested in the action.

18

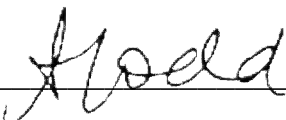
19 Dated this 3rd day of March, 2020

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A handwritten signature in cursive script, appearing to read "S. Todd", is written over a horizontal line.

24

Samantha Todd, Notary Public,  
State of Florida at Large

25